

WARRICK COUNTY COUNCIL

RESOLUTION NO. 2020 - 12

**A PRELIMINARY RESOLUTION DECLARING AN ECONOMIC REVITALIZATION
AREA
FOR PERSONAL PROPERTY TAX PHASE-IN
(Euronique Inc.)**

WHEREAS, Euronique, Inc. ("Euronique") has submitted a Statement of Benefits – Personal Property, and Euronique has made application for Economic Revitalization Area designation pursuant to IC 6-1.1-12.1 et seq., and has requested Tax Phase-In for personal property located in Warrick County, Indiana and more particularly described as:

Parcel 2A of Minor Subdivision of the Town of Elberfeld Industrial Park Property, Elberfeld, Indiana 47613, with a street address of 7633 St. Johns Road, Elberfeld, Indiana 47613 and Parcel Number 87-04-30-201-001.000-007 (the "Property").

WHEREAS, the Warrick County Economic Development Advisory Council ("EDAC") on the 15th day of October, 2020 received Euronique's Statement of Benefits for personal property and also received Euronique's Application for Economic Revitalization Area and Phase-In of Property Tax, and EDAC made a unanimous recommendation for approval by the County Council;

WHEREAS, the Property meets the criteria for designation as an Economic Revitalization Area pursuant to IC 6-1.1-12.1 et seq.

NOW, THEREFORE, BE IT RESOLVED by the Warrick County Council as follows:

Section 1. The Warrick County Council has reviewed the Statement of Benefits for Personal Property, the recommendation of EDAC, and additional information submitted pursuant to IC 6-1.1-12.1 et seq., and makes the following findings:

- a. The estimate of the cost (\$350,000) of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and/or new information technology equipment is reasonable for equipment of that type; and
- b. With respect to new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, and new research and development equipment, new logistical distribution equipment, and/or new information technology equipment, the estimate of the number of individuals who will be employed (1 additional employee) or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment, new research

and development equipment, new logistical distribution equipment, and/or new information technology equipment; and

- c. The estimate of the annual salaries of the individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and/or new information technology equipment; and
- d. With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment; and
- e. The other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and/or new information technology equipment; and
- f. The totality of benefits to accrue from this project is sufficient to justify the deduction.

Section 2. Based on these findings, the Warrick County Council has determined that the purposes of IC 6-1.1-12.1 et seq. are served by allowing the deductions for personal property, and the Property described above is hereby declared to be an Economic Revitalization Area.

Section 3. The designation of the Economic Revitalization Area shall apply to property tax deductions for personal property taxes.

Section 4. The designation of this Economic Revitalization Area for the Property shall be in effect up to and including December 1, 2025.

Section 5. Deductions for the personal property additions specified in Euronique's (1) Application for Economic Revitalization Area and Phase-In of Property Tax and (2) Statement of Benefits – Personal Property which take place within this Economic Revitalization Area shall be allowed for a period of six (6) years beginning with increases in assessed value resulting from such personal property improvements.

Section 6. The Warrick County Auditor shall cause to be published notice of the adoption and substance of this Resolution in accordance with IC 5-3-1. Such notice complies with IC 6-1.1-12.1-2.5(c).

Section 7. This Resolution shall be in full force and effect from and after its passage and action had confirming, modifying and/or rescinding the same.

PASSED this 5th day of November, 2020.

Warrick County Council

Greg Richmond

3354AE3D073B4CA...

Greg Richmond, President

Charles Christmas

Ted Metzger

E49BB928FFA4497...

Ted Metzger

DocuSigned by:

RICHARD REID

C53AF64AB2AD4E0...

Richard Reid

DocuSigned by:

Brad Overton

6966D4EF4446405...

Brad Overton, Vice President

DocuSigned by:

David Hachmeister

58A252C6F84142A...

David Hachmeister

Cindy Ledbetter

ATTEST:

DocuSigned by:

Debbie Stevens- Auditor Attest

1AAED25A6076402...

Warrick County Auditor

WCEDD 10



Tax Phase-In Program

Application For
Economic Revitalization Area and Phase-In of Property Tax

Real Estate Improvements and/or New Manufacturing, Research and
Development, Logistics, and/or Information Technology Equipment

This application is to be completed and signed by a representative of the Taxpayer seeking a Tax Phase-In.

Application is for Tax Phase-In on:	Real Estate Improvements	()
(Check all that apply.)	New Manufacturing Equipment \$350,000.00	()
	New Research and Development Equipment	()
	New Logistics Equipment	()
	New Information Technology Equipment	()

Part I. Taxpayer Information

1. Name of Taxpayer Seeking Phase-In: Euronique Inc.
2. Mailing Address: PO Box 128 Elberfeld In, 47613
3. Name of Person Authorized to Represent Taxpayer in Making Application:
Harding Shymanski & Company – Aaron Wilzbacher
4. Address of Authorized Representative: 21 Southeast Third Street, suite
500, Evansville IN 47708

WCEDD 10

5. Telephone Number of Authorized Representative: 812-491-1322

Part II. General Information of Property – *Attach site map.*

1. Address of Property:

2. Township in which Property is Located:

3. Legal Description of Property (may attach a separate document):

4. Current Zoning:

5. Tax Code(s) for Property:

6. Current use of Property:

a. How is property currently being used?

b. What structures are currently on the property?

c. What is the condition of the structures?

WCEDD 10

Part III. Statutory Requirements

The Tax Phase-In law (I.C. 6-1.1-12.1) requires the County Council to designate the project site as an Economic Revitalization Area, which must be found to have "become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors which have impaired values or prevent a normal development of the property." An Economic Revitalization Area may also include any area where a "facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues."

Please provide evidence or documentation that the project site meets the above statutory requirements.

Part IV. Employment Impact

1. How many new employees do you plan to hire upon completion of this project?

Full time 1 Part time

2. How many new employees do you plan to hire over a five (5) year period as a result of this project. Please include the new employees listed above.

Full time 2 Part time

3. How many employees will be retained as a result of this project? Please include only the employees whose jobs will be affected by this project.

Full time 34 Part time

4. Describe the type of work in which new employees or retained employees will be engaged. This machinery is to replace old outdated equipment and will allow us to

stay competitive in the market and continue expanding our operation into new market areas. The main piece of equipment is CNC controlled so it is a skilled job.

5. Provide the average hourly wage for new/retained employees. \$18.00

6. Provide the following wage information in an hourly format for the affected jobs:

a. Clerical:	<u>n/a</u>	Average Clerical Wage:	\$ <u>20.00/hr.</u>
b. Production:	<u>\$16.00</u>	Average Production Wage:	\$ <u>\$17.00/hr.</u>
c. Management:	<u>\$22.00</u>	Average Management Wage:	\$ <u>\$21.00/hr.</u>
d. *Other:	<u>\$19.00</u>	Average Other Wage:	\$ <u>\$17.00/hr.</u>

*Please specify: CNC Manager/Operator

NOTE: The total number of jobs specified above should correspond with the Statement of Benefits Form (SB-1).

7. Identify all company fringe benefits offered to employees. 401k/Profit sharing, Health Ins, Eye and Dental coverage, Vacation, Holidays, Life Insurance

8. What is the value of benefits as a percentage of base pay? 25-30 percent of overall base pay

Part V. Furtherance of Development Objectives

Please identify how the proposed project meets one or more of the following development objectives.

1. Use of vacant or under-utilized land and/or buildings:
2. Rehabilitation or replacement of obsolete, deteriorated, vacant or under-utilized buildings:
3. Retention/expansion of employment opportunities:
4. Improvement of the community's physical appearance:
5. Preservation of historically or architecturally significant property:

Part VI. Description of Proposed Project

1. Give a brief overview of the scope of the proposed project. Please use only the space provided below.
Installation of new CNC Ruter, Air compressor system, and New Fork Truck for production use. Machine is replacing older outdated machine with more capacity allowing us to produce more products with less overall labor keeping us competitive in the market. The air system and fork truck will be utilized to help feed the added work capacity of this machine. .

WCEDD 10

2. Will the proposed project require any additional municipal services or facilities?
 Yes _____ No _____

If yes, please explain.

3. For a project seeking a Tax Phase-In for **REAL ESTATE IMPROVEMENTS**:

a. What physical changes will be made to develop or rehabilitate the property?

b. How will the property be used?

c. What is the anticipated cost of the rehabilitation or new construction?

4. For a project seeking a Tax Phase-In for **NEW MANUFACTURING EQUIPMENT**:

a. Please attach an itemized list of the proposed equipment acquisitions and the cost of each item. Designate this attachment as Exhibit A.

b. Total cost of Equipment itemized on Exhibit A:

\$ 350,000.00

c. Describe the productive use of the proposed equipment acquisitions. Please be as specific as possible. CNC Router will be used to machine cabinet parts for assembly and machine out custom wood millwork as required for large commercial interior projects.

d. Has this equipment ever been installed and/or used elsewhere in the State of Indiana?

Yes _____

No x _____

e. Date new manufacturing equipment is to be acquired: 12/9/20

- f. Will the proposed equipment have an impact on the environment (i.e. waste or discharge generated by its productive use)?

Yes _____ No x _____

If yes, explain in detail on a separate sheet identified as Exhibit B.

5. For projects seeking a Tax Phase-In for **NEW RESEARCH AND DEVELOPMENT EQUIPMENT:**

- a. Please attach an itemized list of the proposed equipment acquisitions and the cost of each item. Designate this attachment as Exhibit A.
- b. Total cost of Equipment itemized on Exhibit A:
\$ _____
- c. Describe the productive use of the proposed equipment acquisitions. Please be as specific as possible.

- d. Has this equipment ever been installed and/or used elsewhere in the State of Indiana?

Yes _____ No _____

- e. Date new manufacturing equipment is to be acquired: _____

- f. Will the proposed equipment have an impact on the environment (i.e. waste or discharge generated by its productive use)?

Yes _____ No _____

If yes, explain in detail on a separate sheet identified as Exhibit B.

6. For projects seeking a Tax Phase-In for **NEW LOGISTICS EQUIPMENT:**

- a. Please attach an itemized list of the proposed equipment acquisitions and the cost of each item. Designate this attachment as Exhibit A.

- b. Total cost of Equipment itemized on Exhibit A:
\$ _____

- c. Describe the productive use of the proposed equipment acquisitions. Please be as specific as possible.

- d. Has this equipment ever been installed and/or used elsewhere in the State of Indiana?

Yes _____ No _____

- e. Date new manufacturing equipment is to be acquired: _____

- f. Will the proposed equipment have an impact on the environment (i.e. waste or discharge generated by the productive use)?

Yes _____ No _____

If yes, explain in detail on a separate sheet identified as Exhibit B.

7. For a project seeking a Tax Phase-In for **NEW INFORMATION TECHNOLOGY EQUIPMENT**:

- a. Please attach an itemized list of the proposed equipment acquisitions and the cost of each item. Designate this attachment as Exhibit A.

- b. Total cost of Equipment Itemized on Exhibit A:
\$ _____

- c. Describe the productive use of the proposed equipment acquisitions. Please be as specific as possible.

- d. Has this equipment ever been installed and/or used elsewhere in the State of Indiana?

Yes _____ No _____

- e. Date new manufacturing equipment is to be acquired: _____

- f. Will the proposed equipment have an impact on the environment (i.e. waste or discharge generated by the productive use)?

Yes _____ No _____

If yes, explain in detail on a separate sheet identified as Exhibit B.

VII. Community Benefit - Describe

Please provide a brief description regarding how your business will benefit Warrick County. Emphasize areas that highlight how the business will be a "good fit" within the community. Make sure all environmental permits are identified in the application.

○ Will your business enhance the diversity of Warrick County's economy? Yes we are a casework/millwork supplier who does large scale projects for local contractors and other contractors outside the Tri-state area such as Indianapolis, Louisville, Nashville and other major cities. By us bidding and landing these projects from outside the local market we are able to provide more skilled jobs to our area in the woodworking field. This area seems to lack businesses who promote and help grow this sector so we have help expand skill sets needed in this field over the last 20 years.

○ Is your investment in a location which is already zoned appropriately? yes

○ Will you be using distressed property? No If so, what steps are necessary to bring the property into compliance with Warrick County's planning and zoning and/or building regulations.

○ Is this a relocation or location of a regional or national headquarters? no

Part VIII. Community Commitment – Describe

Please provide a brief description regarding your business's community commitment within Warrick County.

- Is the business already located within Warrick County? Yes
- How will the business be an active community partner? We have donated to various organizations within Warrick County and strive to have competitive wages and benefits so that we can not only provide jobs but provide a safe stable work environment for our employees. We take pride in our work and our workforce.
- Is a Tax Phase-In necessary to induce the applicant to make its investment in the County? Not necessarily we are seeking this to lower overhead which in turn can keep us more competitive in the market and will allow us to bring in more work from outside the Tri-state. Any tax savings directly goes to cutting the overhead on a business and provides a lower operational cost.
- Does the business intend to use area contractors and vendors? Yes we purchased the fork Truck from Black equipment company in Evansville and are working on the air system from a local supplier as well. Both are from Evansville area.

I hereby affirm and certify that the information and the representations of fact made in this application are true and complete.

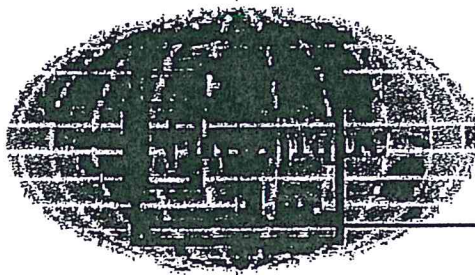
WCEDD 10

Scott Hasenover President
Signature of Authorized Representative Title

Date 10-1-20

NOTE: For this application to be complete, it must be accompanied by:

Site Map (For Real Estate Improvement Project)
Signed "Statement of Benefits" (Form SB-1) – For All Projects
Exhibit A – Itemized List Equipment (For Personal Property Project)
Exhibit B – Statement of Environmental Impact – For All Projects



October 1, 2020

Schedule A Equipment list for abatement request

CNC Router Biesse Rover A FT 1536 2020 \$ 165,000.00

New Yale Fork Truck 6000lbs capacity 2020 \$ 29,000.00

New Rotary air screw compressor Sullivan Palatek 50 hp \$ 20,000.00

New cold press for glue line \$ 55,000.00

Improvements to dust collection system new canister and piping required for CNC router \$ 81,000.00



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R4 / 11-15)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

INSTRUCTIONS

- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between January 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between January 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION							
Name of taxpayer Euronique Inc			Name of contact person Scott Hasenour				
Address of taxpayer (number and street, city, state, and ZIP code) PO Box 128 -7633 St. Johns Road Elberfeld, IN 47613					Telephone number (812) 983-3337		
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT							
Name of designating body Warrick County Council					Resolution number (s)		
Location of property 7633 St Johns Road, Elberfeld IN 47613			County Warrick	DLGF taxing district number			
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.)			ESTIMATED				
			START DATE			COMPLETION DATE	
			Manufacturing Equipment			11/10/2020 11/10/2021	
			R & D Equipment				
			Logist Dist Equipment				
IT Equipment							
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT							
Current number 34	Salaries 1,190,000.00	Number retained 34	Salaries 1,190,000.00	Number additional 1	Salaries 40,000- 50,000		
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT							
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT	IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	
Current values	2.3M	640,000					
Plus estimated values of proposed project	350,000						
Less values of any property being replaced							
Net estimated values upon completion of project							
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER							
Estimated solid waste converted (pounds) n/a			Estimated hazardous waste converted (pounds) n/a				
Other benefits:							
SECTION 6 TAXPAYER CERTIFICATION							
I hereby certify that the representations in this statement are true.							
Signature of authorized representative Scott Hasenour					Date signed (month, day, year) 10/20/20		
Printed name of authorized representative Scott Hasenour			Title President				

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____. *NOTE: This question addresses whether the resolution contains an expiration date for the designated area.*

B. The type of deduction that is allowed in the designated area is limited to:

- | | | | |
|--|------------------------------|-----------------------------|---|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18
Check box if an enhanced abatement was approved for one or more of these types. |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____. (One or both lines may be filled out to establish a limit, if desired.)

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:

- | | | | | | |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|--|
| <input type="checkbox"/> Year 1 | <input type="checkbox"/> Year 2 | <input type="checkbox"/> Year 3 | <input type="checkbox"/> Year 4 | <input type="checkbox"/> Year 5 | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18
Number of years approved: _____
(Enter one to twenty (1-20) years; may not exceed twenty (20) years.) |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input type="checkbox"/> Year 10 | |

I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? ☐ Yes ☐ No
If yes, attach a copy of the abatement schedule to this form.

If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved by: (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by: (signature and title of attester)	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.